



## Minutes of the IT Investment Board

**January 7, 2004**

### **Members Present:**

George C. Newstrom (Chairman)

Chris Caine

Jimmy Hazel

Hiram Johnson

John Lee

James McGuirk

Dr. Mary Guy Miller

Scott Pattison

Walter Kucharski (ex-officio – non-voting)

### **Members Absent:**

Len Pomata

### **Call to Order**

The Chairman called the meeting of the Virginia Information Technology Investment Board to order at 12:05 p.m. Nine of the ten members were recorded as present by roll call. A motion was made by Chris Caine, Acting Chairperson of the CIO Search Committee, that pursuant to Section 2.2-3711 A (1) of the Code of Virginia that the IT Investment Board convene into Executive Session for the purpose of discussing and considering the qualifications of specific candidates for the position of Chief Information Officer. Jimmy Hazel seconded the motion. By unanimous vote, the Board convened into Executive Session in the Executive Workroom, VITA Operations Center, Third Floor, 110 South Seventh Street, Richmond, Virginia.

The Board immediately reconvened in open session at 1:00 p.m. Chris Caine made a motion that all members certify as follows:

- i. to the best of each members' knowledge, only public business matters lawfully exempted from open meeting requirements under the Freedom of Information Act, and
- ii. only such public business matters as were identified in the motion by which the closed meeting was convened was heard, discussed or considered in the meeting by the public body.

Jimmy Hazel seconded the motion. Chairman Newstrom called the roll and each of the nine members so certified.

Chairman Newstrom gave a recap of the accomplishments of VITA and the ITIB since inception over the last six-month period.

- Virginia Information Technologies Agency (VITA) established July 1, 2003

- The Information Technology Investment Board (ITIB) appointed in June/July 2003. Had its first meeting on August 5, 2003. The Board was officially scheduled to have two meetings in 2003, but have had six meetings during the year (one meeting per month)
- Established committees within the Board: CIO Search; IT Project Review, Finance; and Legislative Review
- Successful in having VITA budget approved
- Successful in having VITA Rates approved
- Successful in completing the first major phase of implementation (36 small agencies)
- Commonwealth of Virginia signed its largest procurement in technology and communications -- COVANET contract with MCI Corporation that will net Virginia \$12.5 billion of savings during the 4-year life of the contract

Chairman Newstrom emphasized that the ITIB and VITA have met every deliverable and milestone since inception. The major task of the ITIB is hiring a CIO. In the interim, Cheryl Clark has been named Acting CIO. The next phases of transition into VITA will be the medium size agencies (first six months of 2004) and the large agencies (last six months of 2004).

Chairman Newstrom also emphasized the need to institutionalize the processes (projects, budget, rate settings, etc.) and to continue to work towards bringing the vision of VITA to reality and acceptance.

## **Approval of Minutes**

Jimmy Hazel made a motion that the minutes of the December 1, 2003 meeting be approved. Chris Caine seconded motion. Dr. Mary Guy Miller made a motion that the minutes of the December 10, 2003 meeting be approved. Chris Caine seconded motion. There being no discussion, the minutes of both meetings were approved as written.

## **Public Private Education Act (PPEA) Presentation**

David Halleck, Jr., Assistant to the Governor and Deputy Counselor, gave a presentation on the PPEA. This presentation was given at the request of ITIB Board members, and because of the opportunity that the legislation presents to VITA and the ITIB in moving forward. Following the presentation, questions were answered. Chairman Newstrom stated that VITA has received multiple PPEA submissions. However, review of the submissions has been delayed until the hiring of the new CIO, as this will be one of the major roles of the position, in addition to the implementation and transitions into VITA.

## **Final Adoption of ITIB By-Laws**

Per edits made at the October 15, 2003 ITIB meeting, amended by-laws had been submitted within the required timeframe for the Board's review. A motion was made by John Lee to adopt the amended ITIB By-Laws. Hiram Johnson seconded the motion. Jimmy Hazel inquired if Counsel to the Board had reviewed the amended By-laws. Per Mr. Westrick, he had reviewed the amended by-laws and recommended changes to correct citation errors with no substantive change. The Board unanimously voted to adopt the finalized ITIB by-laws. It was noted that by-laws could be amended at any time.

## **Committee Reports:**

### **CIO Search Committee, Len Pomata, Chairperson:**

In the absence of the Chair, Len Pomata, Chris Caine, Acting Chair, reported that the Search Committee had met earlier during the day and had agreed to move forward with the hiring of the CIO and expect to conclude in the very near future.

Chairman Newstrom reiterated that the Search Committee has been expanded to include the entire Board and they are searching to hire the best candidate possible for the Commonwealth.

### **IT Project Review Committee, Jim McGuirk, Chairperson:**

Jim McGuirk recognized Dan Ziomek and the Project Management Team of VITA, and the extraordinary work and exemplary talent of the team. He reported as follows:

- Interim Scorecard - The IT Project Review Committee is in the process of making the scorecard as objective as possible and will be finalizing scorecard metrics. Expectations should be set between agencies and VITA to show what is going to be looked at when projects are brought forward for approval.
- Project Approval Process - The committee is delineating the process so that there is an expectation that when an agency submits a charter and proposal, the process will be clearly understood, as well as the timeframe for review. Agencies can expect the IT Project Review Committee and the ITIB to take action in a timely manner. Plans are for agencies to have the ability to go online and review the project process status and at which ITIB meeting the project will be discussed.
- Return on Investment – Trying to get as much information upfront to improve the process in an efficient manner: Will proceed as follows: (1) standardize information utilized and (2) set up a measurement of success
- Enterprise Architecture - The Committee will review the Platform Architecture and Platform Domain Review. Before the next ITIB meeting, Committee will give a recommendation to the Board as whether the Platform Architecture is something that can be used by the Commonwealth.

### **IT Project Review Committee Recommendations for Board Action:**

DOE Education Information Management System - Jim McGuirk made a motion that the Board approve the DOE Information Management System with the following contingencies:

- Approve for pilot phase (already fully funded)
- Contingent approval for full implementation based on receipt of the funding and full implementation of the pilot

Jimmy Hazel seconded the motion. It was noted that there will be an Oversight Committee who will report on the results of the pilot before moving forward to the main application in addition to the budgetary approval. The Board will be advised of the contingencies being fulfilled before full implementation. The motion carried unanimously by the Board.

DGS Laboratory Information Management System - Jim McGuirk made a motion that the DGS Laboratory Information Management System be approved for implementation. The project is fully funded. Jimmy Hazel seconded the motion. The motion carried unanimously by the Board.

### **Acceleration/Delay Transition into VITA**

#### **VDOT Acceleration:**

Jim McGuirk gave public recognition to VDOT, as one of the largest agencies, to ask to be accelerated into transition. He stated that this is the best statement that can be given by an agency to state that they “want to come in early - not late.” This acceleration is six-eight months early. He stated that the ITIB is very appreciative and overwhelmed by the actions of VDOT, and a made a motion that the Board accept VDOT’s request for acceleration.

After discussion, Chairman McGuirk amended the motion as follows: “Based on the success of the three contingencies being resolved: (1) rate approval, (2) personnel mapping, and (3) JLARC review of billing system and inventory asset credit process, the Board would approve VDOT acceleration.” Chris Caine seconded the motion.

Jimmy Hazel stated his support of VDOT early transition and clarified that the agency is not transitioning at the present time, but will transition when contingencies are met.

Chris Caine gave overwhelming support to VDOT acceleration. He stated that it is important from a motivational standpoint for the ITIB to give a statement of encouragement and support for agencies that choose to come in early, as this is the type of behavior and kind of reality that he Commonwealth of Virginia set out to achieve with the VITA legislation.

After discussion, the motion carried unanimously by the Board.

#### **Board of Accountancy (BOA) Delay:**

The Board of Accountancy had submitted a request for transition delay. Jim McGuirk stated that the ITIB needed to make a clear statement that delays in transition are discouraged, and if requested, agencies must be accountable as to the reasons why. He made a motion that the BOA submit a plan showing transition with milestones to the IT Project Review Committee and to the ITIB before the February ITIB board meeting. The Board will act on the delay request at the February meeting. Chris Caine seconded the motion.

John Westrick, Board counsel, was asked if the Board had authority to approve a delay request. He stated that there is no authority in the statute for the ITIB or the consolidation agency to waive compliance with the statutory deadline, but suggested that the motion could be understood more as a call for a plan to achieve legal compliance rather than as a motion to grant or approve a delay. Chairman Newstrom indicated that Cheryl Clark, Acting CIO, had communicated via e-mail with the BOA informing them of non-compliance. The additional request will be communicated with the BOA.

Jim McGuirk suggested that the motion be modified to read: Before February, the BOA will submit a plan to the ITIB that details the transition and milestones to bring them into compliance

with the transition, and the Board will take action in the February board meeting. Chris Caine seconded the motion.

Chris Caine commented that the timetable for integration and transition into VITA is very clear in the statute. He emphasized that it is very important that the ITIB makes a clear statement that the lack of meeting a statutory deadline for transition is unacceptable and will be looked on very harshly.

Hiram Johnson expressed similar concerns with agency non-compliance.

There being no discussion, the Board voted 7-1 in favor of the motion.

**VITA Quarterly Report: -**

Jim McGuirk made a motion that the ITIB approve the VITA Quarterly Report dated January 1, 2004 and recommend that the Board forward the Report to the General Assembly as printed. Jimmy Hazel seconded the motion.

Chairman Newstrom commended VITA leadership and staff and the staffs of the small agencies for the tremendous amount of work that had been done in completing the first phase of transition implementation. The Board echoed Chairman Newstrom's commendations and the motion carried unanimously.

Chairman Newstrom commented that ITIB committee meetings were open to the public and encouraged participation and attendance.

**Legislative Review/Liaison Committee, Jimmy Hazel, Chairman**

Jimmy Hazel reported that there have been no official legislative committee meetings, primarily because the ITIB has no bills, and there has only been one pre-filed bill of interest for VITA. This bill may impact the current contract with MCI .

Mr. Hazel reported that currently legislation is in the pre-file bill period, and this will continue for the next couple of weeks. The General Assembly session begins Wednesday, January 14, 2004 12:00 noon, and the deadline for introduction of legislation is January 23, 2004.

He reported that VITA might also be impacted through the budget process. Legislators may introduce changes to budget language during the session; however, the changes may not be known until the end of the session. VITA staff will be participating in General Assembly committee meetings on a regular basis, in particular, Cheryl Clark, Acting CIO, Judy Napier, Assistant Secretary of Technology, and Steven Gould from the Governor's Office. A metrics and spreadsheet will be developed indicating what bills are being tracked along with a brief summary. Board members were encouraged to access the GA website to view bills.

Hiram Johnson and Jimmy Hazel will make contact with legislative members who have shown an interest in technology matters in past years, and will inquire if they anticipate any bills being introduced that may affect VITA.

Board members will be involved at the appropriate time, and were encouraged to contact legislators in bringing them up to date with the matters and actions of the Board.

### **Finance Committee, Scott Pattison, Chairperson**

The Finance Committee had met prior to the full Board meeting. Scott Pattison reported that a summary of the draft report by the APA had been received. The report contained a review of the internal controls and automated systems within VITA, and it, along with a response by VITA, will be released at the end of the week.

The Finance Committee will meet before the next Board meeting to discuss the types of changes being made in response to the report, as well as anything that the Board needs to approve. Mr. Pattison commended the APA staff in making recommendations and to Cheryl Clark, Austin Matthews, and VITA staff addressing concerns.

The Finance Committee also received a brief summary of the Governor's Proposal for the Budget. There will be changes during the legislative process, and the Committee will be watching budget language and other changes as the session progresses.

### **Other Business**

There was no further business discussed.

### **Public Comment**

There were no members of the public present.

### **Adjourn**

Prior to adjournment, Chairman Newstrom recommended that the Board meet on a monthly basis. E-mail has been sent with proposed dates, and Board members were asked to respond regarding their availability. Teleconference meetings and meeting locations would be discussed and considered. There being no further business, the meeting adjourned at 3:00 p.m.

## Information Technology Investment Board Motion January 7, 2004

**Background and Purpose:** The eighth enactment clause of House Bill 1926 and Senate Bill 1247 (Chapters 981 and 1021, respectively, of the 2003 Acts of Assembly) provides as follows:

8. That on or before January 1, 2005, the Chief Information Officer shall (i) fully implement the systems development standards, policies, and methodologies required by this act and (ii) consolidate within the Virginia Information Technologies Agency the server and other operational functions, along with appropriate staff, of state agencies with a position level in excess of 400 employees. For the purposes of this clause, "state agency" means any administrative unit of state government in the executive branch, including any department, institution, commission, board, council, authority, or other body, however designated. The term "state agency" shall not include public institutions of higher education as set forth in § 23-9.5 of the Code of Virginia and the Virginia Housing Development Authority.

The purpose of this motion is to accelerate the consolidation within the Virginia Information Technologies Agency of the Virginia Department of Transportation, a state agency with more than 400 employees. The authority for this motion is the ninth enactment clause of House Bill 1926 and Senate Bill 1247 (Chapters 981 and 1021, respectively, of the 2003 Acts of Assembly). This enactment clause permits the Board, by majority vote of its members, to accelerate the consolidation schedule set forth above.

**Text of Motion:** Mr. Chairman, I move that the Board accelerate the consolidation within the Virginia Information Technologies Agency of the Virginia Department of Transportation, a state agency with more than 400 employees based on the resolve of three contingencies: (1) rate approval; (2) personnel mapping; and (3) JLARC review of the billing system and inventory asset credit process.

**Proposed by:** \_\_\_\_\_ **Jim McGuirk** \_\_\_\_\_

**Seconded by:** \_\_\_\_\_ **Chris Caine** \_\_\_\_\_

**Recorded vote:**

BOARD MEMBER	YES	NO
Chris Caine	x	
Jimmy Hazel	x	
Hiram Johnson	x	
John Lee	x	

<b>James McGuirk</b>	<b>x</b>	
<b>Mary Guy Miller</b>	<b>x</b>	
<b>George Newstrom</b>	<b>x</b>	
<b>Scott Pattison</b>	<b>x</b>	
<b>Len Pomata</b>		
<b>TOTALS</b>		

? Motion Carries on a Vote of:   8   to   0  

? Motion Fails on a Vote of:            to           

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Signed and certified by Board Chairman Date

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Signed and attested to by Board Secretary Date



## Information Technology Investment Board Motion January 7, 2004

**Background and Purpose:** The sixth enactment clause of House Bill 1926 and Senate Bill 1247 (Chapters 981 and 1021, respectively, of the 2003 Acts of Assembly) provides as follows:

6. That on or before January 1, 2004, the Chief Information Officer shall consolidate within the Virginia Information Technologies Agency (i) state network management, and (ii) server and other operation functions, along with appropriate staff, for state agencies with a position level of 100 employees or less. For the purposes of this clause, "state agency" means any administrative unit of state government in the executive branch, including any department, institution, commission, board, council, authority, or other body, however designated. The term "state agency" shall not include public institutions of higher education as set forth in § 23-9.5 of the Code of Virginia and the Virginia Housing Development Authority.

The purpose of this motion is to help bring the Board of Accountancy (BOA), a state agency with fewer than 100 employees, in compliance with VITA transition legislation.

**Text of Motion:** Mr. Chairman, I move that before February, the BOA will submit a plan to the ITIB that details the transition and milestones to bring them into compliance with the transition, and the Board will take action in the February board meeting.

**Proposed by:** Jim McGuirk

**Seconded by:** Chris Caine

**Recorded vote:**

BOARD MEMBER	YES	NO
Chris Caine	x	
Jimmy Hazel	x	
Hiram Johnson		x
John Lee	x	
James McGuirk	x	
Mary Guy Miller	x	
George Newstrom	x	
Scott Pattison	x	
Len Pomata		
TOTALS	7	1

? Motion Carries on a Vote of: 7 to 1

? Motion Fails on a Vote of: \_\_\_\_\_ to \_\_\_\_\_

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Signed and certified by Board Chairman

Date

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Signed and attested to by Board Secretary

Date